

## **ATTACHMENT A: STATEMENT OF FACTS**

*The parties hereby stipulate and agree that if this matter had gone to trial the government would have proven the following facts through competent evidence beyond a reasonable doubt. The parties also stipulate and agree that the following facts do not encompass all of the evidence which would have been presented had this matter gone to trial, but that these facts are sufficient to establish the elements of the crime charged beyond a reasonable doubt.*

### **Tax Return Preparation Business (Count Fourteen)**

Defendant **JULIUS VALENTINE WILLIAMS ("WILLIAMS")** at all relevant times was a resident of College Park, Maryland. **WILLIAMS** was a tax return preparer who owned and operated a business called Julius Williams Tax Services ("JWTS") out of his home in College Park, Maryland. **WILLIAMS** prepared tax returns for clients in exchange for a fee. During the tax years 2007 through 2010, **WILLIAMS** prepared and submitted to the IRS more than 5,000 client U.S. Individual Income Tax Returns.

Many of **WILLIAMS'** clients were from Jamaica and resided in the United States pursuant to the H-2B Temporary Non-Agricultural Worker Program. This program allows U.S. employers who meet specific regulatory requirements to bring foreign nationals to the U.S. to fill temporary jobs. H-2B workers who were JWTS clients often did not reside in Maryland and, at the conclusion of their temporary employment, were required to return to their home countries. When preparing income tax returns for clients, **WILLIAMS** added materially false items to income tax returns for the purpose of fraudulently increasing the size of the refund returned to the client. These falsities included, among other things, fictitious Schedule C businesses, false Schedule A deductions, false Earned Income Tax Credits, and false education credits.

In addition, **WILLIAMS** kept detailed lists in his office of identification information, including names, dates of birth, and social security numbers, of others, including former clients who had returned to their home countries. **WILLIAMS** used the means of identification of former clients in order to claim them as dependents on the income tax returns of current clients, as well as on his own tax returns in order to fraudulently increase the refunds associated with those returns.

As such, while in the business of preparing tax returns for others, **WILLIAMS** willfully aided and assisted in filing with the Internal Revenue Service the following tax returns, among others. These tax returns were false and fraudulent as to material matters, in that they represented that the taxpayers were entitled under the provisions of the Internal Revenue laws to claim deductions, expenses, income, and credits, as identified below, whereas **WILLIAMS** then and there knew that the taxpayers were not entitled to claim such deductions, expenses, income, and credits:

<b>TAX PAYER</b>	<b>SUBMIS SION DATE</b>	<b>TAX YEAR</b>	<b>FALSE ITEMS</b>
W.A.	2/21/2008	2007	<ul style="list-style-type: none"> <li><i>i.</i> Line 12, Business income or loss</li> <li><i>ii.</i> Schedule A, Line 1, Medical and dental expenses</li> <li><i>iii.</i> Schedule A, Line 21, Unreimbursed employee expenses</li> <li><i>iv.</i> Schedule C</li> </ul>
W.A.	2/26/2009	2008	<ul style="list-style-type: none"> <li><i>i.</i> Line 6c, Dependents</li> <li><i>ii.</i> Line 12, Business income or loss</li> <li><i>iii.</i> Line 50, Education credits</li> <li><i>iv.</i> Line 64a, Earned income credit</li> <li><i>v.</i> Schedule A, Line 1, Medical and dental expenses</li> <li><i>vi.</i> Schedule A, Line 21, Unreimbursed employee expenses</li> <li><i>vii.</i> Schedule C</li> </ul>
W.A.	2/1/2010	2009	<ul style="list-style-type: none"> <li><i>i.</i> Line 6c, Dependents</li> <li><i>ii.</i> Line 49, Education credits</li> <li><i>iii.</i> Schedule A, Line 1, Medical and dental expenses</li> <li><i>iv.</i> Schedule A, Line 21, Unreimbursed employee expenses</li> </ul>
W.A.	2/5/2011	2010	<ul style="list-style-type: none"> <li><i>i.</i> Lines 6c, Dependents</li> <li><i>ii.</i> Line 49, Education credits</li> <li><i>iii.</i> Line 66, American opportunity credit</li> <li><i>iv.</i> Schedule A, Line 1, Medical and dental expenses</li> <li><i>v.</i> Schedule A, Line 17, Gifts to charity other than by cash or check</li> <li><i>vi.</i> Schedule A, Line 21, Unreimbursed employee expenses</li> </ul>
D.H.	2/17/2008	2007	<ul style="list-style-type: none"> <li><i>i.</i> Line 12, Business income or loss</li> <li><i>ii.</i> Line 49, Education credits</li> <li><i>iii.</i> Schedule C</li> </ul>
D.H.	2/1/2009	2008	<ul style="list-style-type: none"> <li><i>i.</i> Line 12, Business income or loss</li> <li><i>ii.</i> Line 50, Education credits</li> <li><i>iii.</i> Schedule C</li> </ul>

D.H.	3/9/2010	2009	<ul style="list-style-type: none"> <li>i. Line 6c, Dependents</li> <li>ii. Line 49, Education credits</li> <li>iii. Schedule A, Line 1, Medical and dental expenses</li> <li>iv. Schedule A, Line 17, Gifts to charity other than by cash or check</li> <li>v. Schedule A, Line 21, Unreimbursed employee expenses</li> </ul>
O.N.	4/10/2008	2007	<ul style="list-style-type: none"> <li>i. Line 12, Business income or loss</li> <li>ii. Schedule A, Line 21, Unreimbursed employee expenses</li> <li>iii. Schedule C</li> </ul>
O.N.	4/13/2009	2008	<ul style="list-style-type: none"> <li>i. Line 50, Education credits</li> <li>ii. Schedule A, Line 21, Unreimbursed employee expenses</li> </ul>
O.N.	1/25/2010	2009	<ul style="list-style-type: none"> <li>i. Line 6c, Dependents</li> <li>ii. Line 66, Refundable education credit</li> <li>iii. Schedule A, Line 21, Unreimbursed employee expenses</li> </ul>
O.N.	1/27/2011	2010	<ul style="list-style-type: none"> <li>i. Line 6c, Dependents</li> <li>ii. Line 66, Refundable education credit</li> <li>iii. Schedule A, Line 1, Medical and dental expenses</li> </ul>
L.P.	1/24/2009	2008	<ul style="list-style-type: none"> <li>i. Schedule A, Line 1, Medical and dental expenses</li> <li>ii. Schedule A, Line 17, Gifts to charity other than by cash or check</li> <li>iii. Schedule A, Line 21, Unreimbursed employee expenses</li> </ul>
L.P.	2/11/2010	2009	<ul style="list-style-type: none"> <li>i. Line 6c, Dependents</li> <li>ii. Line 12, Business income or loss</li> <li>iii. Schedule A, Line 1, Medical and dental expenses</li> <li>iv. Schedule A, Line 17, Gifts to Charity other than by cash or check</li> <li>v. Schedule A, Line 21, Unreimbursed employee expenses</li> <li>vi. Schedule C</li> </ul>

L.P. (Count Fourteen)	1/31/2011	2010	<ul style="list-style-type: none"> <li>i. Line 6c, Dependents</li> <li>ii. Line 12, Business income or loss</li> <li>iii. Schedule A, Line 1, Medical and dental expenses</li> <li>iv. Schedule A, Line 17, Gifts to charity other than by cash or check</li> <li>v. Schedule A, Line 21, Unreimbursed employee expenses</li> <li>vi. Schedule C</li> </ul>
-----------------------------	-----------	------	---

As a result of **WILLIAMS's** actions described above, the total tax loss to the government resulting from fraudulent tax returns filed with the IRS prepared by **WILLIAMS** is at least \$1,000,000.

*Personal Income Tax Returns (Count Eighteen)*

In addition to filing false tax returns for his clients, **WILLIAMS** did willfully make and subscribe joint U.S. Individual Income Tax Returns, for the tax years 2007, 2008, 2009, and 2010, which were verified by a written declaration that it was made under the penalties of perjury and which **WILLIAMS** did not believe to be true and correct as to every material matter. These 2007, 2008, 2009, and 2010 returns, which were prepared and signed in the District of Maryland and were filed with the IRS, stated on Schedule C the gross receipts from JWT's in amounts lower than **WILLIAMS** actually received, whereas **WILLIAMS** then and there knew and believed, gross income from his tax preparation business for these years substantially exceeded the amounts reported. Indeed, over the course of tax years 2007 through 2010, **WILLIAMS** underreported his income by a total of over \$1,000,000, as follows:

TAX YEAR	REPORTED RECEIPTS OR SALES	UNREPORTED INCOME
2007	\$35,349	\$124,433
2008	\$48,960	\$269,821
2009	\$84,201	\$248,429
2010	\$81,391	\$392,544

As a result of **WILLIAMS's** action, the total tax loss to the government based solely on **WILLIAMS's** underreported income was approximately \$411,056. For the tax year 2007, the additional tax due and owing was approximately \$42,661. For the tax year 2008, the additional tax due and owing was approximately \$96,836. For the tax year 2009, the additional tax due and owing was \$93,257. For the tax year 2010, the additional tax due and owing was \$138,303. In addition, as described below, **WILLIAMS** also claimed false dependents on his personal tax returns, as well as other falsities, which resulted in additional tax due and owing.

*Wire Fraud and Aggravated Identity Theft (Counts Twenty and Twenty-Seven)*

For the purpose of executing and attempting to execute the tax scheme described above, which was devised and intended to be devised by **WILLIAMS** to defraud the United States and to obtain money and property by means of materially false representations, **WILLIAMS** transmitted or caused to be transmitted by means of wire communications in interstate commerce ("the wire fraud scheme"), the following wire transmissions of U.S. Individual Tax Returns, Forms 1040 for the following taxpayers:

TRANSMISSION DATE	TAX YEAR	TAXPAYER
3/9/2010	2009	D.H.
1/27/2011 (Count Twenty)	2010	O.N.
1/31/2011	2010	L.P.
1/13/2010	2009	<b>WILLIAMS</b>
1/4/2011	2010	<b>WILLIAMS</b>

Each of these returns were submitted via wire transmission from **WILLIAMS'** residence in Maryland to an IRS Service Center located in either Texas or Massachusetts.

In addition, **WILLIAMS** knowingly transferred, possessed, or used, without lawful authority, a means of identification of another person during and in relation to the wire fraud scheme. Specifically, on each of these five tax returns, **WILLIAMS** used the names and social security numbers of individuals to falsely claim the individuals as dependents on his clients' tax returns, as well as his own tax returns, as follows:

TRANSMISSION DATE	TAX YEAR	TAXPAYER	FALSE DEPENDENT
3/9/2010	2009	D.H.	Y.C.
1/27/2011	2010	O.N.	H.H.
1/31/2011	2010	L.P.	C.M.
1/13/2010 (Count Twenty-Seven)	2009	<b>WILLIAMS</b>	C.W.R.
1/4/2011	2010	<b>WILLIAMS</b>	L.R.

**WILLIAMS** knew these identities belonged to a real person because they each were **WILLIAMS's** former clients. Moreover, the names, birth date, and social security number of each of these dependents were contained on lists found in **WILLIAMS'** office.

I have read this statement of facts and carefully reviewed it with my attorney. I acknowledge that it is true and correct.

8-14-14  
Date

  
\_\_\_\_\_  
Julius Valentine Williams